

AGENDA
ADMINISTRATIVE RULE MEETING
UTAH STATE TAX COMMISSION

December 4, 2008 • 8:00 a.m.
Commission Hearing Room 1025 • 210 North 1950 West
Salt Lake City, Utah

1 Commission Business

- 1.1 Call to Order
- 1.2 Approval of Minutes for September 9, 2008
- 1.3 Approval of Minutes for September 25, 2008

2 Rule Items

There will be public comment and discussion prior to Commission action.

2.1 Rules proposed to be repealed due to statutory changes

- A R865-12L-12 Leases and Rentals Pursuant to Utah Code Ann. Section 59-12-204.

The rule is repealed because the statutory language on which it is based has been repealed by 2008 HB 206. That bill provides a new section, 59-12-214, that indicates how sales tax revenue collected by leases and rentals will be sourced to local jurisdictions.

- B R865-12L-13 Repairman and Servicemen Pursuant to Utah Code Ann. Section 59-12-204.

The rule is repealed because 2008 HB 206 directs how sales tax collected by servicemen and repairman shall be sourced to local tax jurisdictions.

- C R865-19S-27 Retail Sales Defined Pursuant to Utah Code Ann. Sections 59-12-102 and 59-12-101(1)(g).

Rule is repealed because the substance of the rule is found in statute and other rules.

- D R865-19S-29 Wholesale Sale Defined Pursuant to Utah Code Ann. 59-12-102.

Rule is repealed because it is unnecessary repetition of statutes and other rules.

- E R865-19S-119 Certain Transactions Involving Food and Lodging Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-104.

Rule is repealed because the language of the rule has been superseded by 2008 HB 206.

- F R865-21U-3 Liability of Retailers Pursuant to Utah Code Ann. Section 59-12-107.

Rule is repealed. Sections 59-12-102 and 59-12-107 have recently been amended to include the substance of this rule.

- G R865-21U-15 Automobiles, Construction Equipment, and other Merchandise Purchased from Out-Of-State Vendors Pursuant to Utah Code Ann. Sections, 59-12-103 and 59-12-107.

The rule is repealed since 2007 HB 34 codified this language. Accordingly, the rule is unnecessary.

- H R873-22M-23 Registration Information Update for Vintage Vehicle Special Group License Plates Pursuant to Utah Code Ann. Section 41-1a-1209.

Rule is repealed since 2008 HB 373 replaced registration information updates for vintage vehicles with the requirement to register annually.

- I R884-24P-47 Uniform tax on Aircraft Pursuant to Utah Code Ann. Sections 59-2-404, 59-2-1005, 59-2-1302 and 59-2-1303.

Rule is repealed since 2008 HB 365 replaced the value-based property tax on aircraft with a uniform fee. Accordingly, this rule no longer applies.

2.2 Rule language proposed to be deleted

- A. R865-12L-6 Place of Transaction Pursuant to Utah Code Ann. Section 59-12-207.

The proposed amendment deletes language that is no longer necessary.

- B. R865-19S-90 Telephone Service Pursuant to Utah Code Ann. Section 59-12-103.

The proposed amendment deletes language that has been placed into statute, and unnecessary language based on statutory changes.

- C R865-19S-92 Computer Software and Other Related Transactions Pursuant to Utah Code Ann. Section 59-12-103.

The proposed amendment deletes language that has been placed in statute.

- D R865-19S-113 Sales Tax Obligation of Jeep, Snowmobile, Aircraft, and Boat tour

Operators, River Runners, Outfitters, and Other Sellers Providing Similar Services Pursuant to Utah Code Ann. Sections 59-12-103 and 59-12-107.

The proposed amendment deletes language relating to when an aircraft or boat tour operator is required to collect sales tax since that has been replaced by different statutory language.

- E R865-4D-2 Refund Procedures for Undyed Diesel Fuel Used Off-Highway or to Operate a Power Take-Off Unit, and Sales Tax Liability Pursuant to Utah Code Ann. Sections 59-13-301 and 59-13-304.

The proposed amendment deletes all references to the clean special fuel certificate, since that certificate is no longer required by statute.

2.3 Rule language proposed to be updated

- A R861-1A-20 Time of Appeal Pursuant to Utah Code Ann. Sections 59-1-301, 59-1-501, 59-2-1007, 59-7-517, 59-10-532, 59-10-533, 59-10-535, 59-12-114, 59-13-210, 63-46b-3, 63-46b-14, 68-3-7, and 68-3-8-5.

Statutory references are updated in accordance with 2008 HB 63; terms are clarified.

- B R884-24P-53 2008 Valuation Guides for Valuation of Land Subject to the Farmland Assessment act Pursuant to Utah Code Ann. Section 59-2-515.

Section 59-2-515 authorizes the commission to promulgate rules regarding the Property Tax Act, Part 5, "Farmland assessment Act". Section 59-2-514 authorizes the commission to receive valuation recommendations from the State Farmland Advisory Committee for implementation as outlined in R884-24P-53.

2.4 Proposed rule amendments

- A R865-14W-1 Mineral Production Tax withholding Pursuant to Utah Code Ann. Sections 59-6-101 through 59-6-104.

The proposed amendment reflects that statutes provide exemption from the normally required withholding of mineral production tax.

- B R865-19S-12 Filing of Returns Pursuant to Utah Code Ann. Sections 59-12-107 and 59-12-118.

The proposed amendment indicates what sales tax form a remote seller shall file with the commission.

- C R884-24P-27 Standards for Assessment Level and Uniformity of Performance Pursuant to

Utah Code Ann. Sections 59-2-704 and 59-2-704.5.

The proposed amendment changes the term “reappraisal” to a detailed review of property characteristics” since the term “reappraisal”, as used in this rule, is inaccurate; modifies the standards for measurement of dispersion to more closely conform to standards set by the International Association of Assessing Officers (IAAO).

- D R873-22M-20 Aircraft Registration Pursuant to Utah Code Ann. Sections 72-10-102, 72-10-109 through 72-10-112.

The proposed rule repeals rule language relating to a dollar-based registration fee since that is now a value-based fee; lists the data that must be included on the database maintained by the Division of Aeronautics and used for registration of aircraft.

2.5 New proposed rules

- A R865-6F-39 Definitions Related to Captive Real Estate Investment Trust and Foreign Real Estate Investment Trust Pursuant to Utah Code Ann. Section 59-7-101.

The proposed rule defines terms related to captive real estate investment trusts and foreign real estate investment trusts.

- B R884-24P-70 Real Property Appraisal Requirements for County Assessors Pursuant to Utah Code Ann. Sections 59-2-303.1 and 59-2-919.1

The proposed rule defines terms; provides criteria that the mass appraisal system of a county of the first or second class must meet.

3 Other Items / Adjourn

Although the formal public comment period published through the Division of Administrative Rules has concluded for the rules posted on this agenda, the Commission will accept comments on these rules at the meeting and prior to the meeting in writing. Comments can be addressed to Commissioner Dixon and emailed to taxrules@utah.gov, faxed to 801-297-3919, or mailed to The Office of the Commission, Utah State Tax Commission, 210 N. 1950 W., Salt Lake City, Utah 84134. For questions, please call Cheryl Lee at 297-3900. Full text of rules can be found at www.tax.utah.gov. If you would like to receive notice of future rule items, email cleee@utah.gov with your name, email address and request to be added to the Tax Commission rules list server.

Tax Commissioners may participate in the meeting via telephonic communications per Rule R861-1A-43

– Electronic Meetings Pursuant to Utah Code Ann. Section 52-4-207. If a Commissioner does participate via telephonic communication, the Commissioner will be on speaker phone. The speaker phone will be amplified so that the other Commissioners and all other persons present in the Commission Chambers will be able to hear all the discussions.

Those who need special accommodations in accordance with the American Disabilities Act may call (801) 297-3811. Please give up to three working days notice to arrange accommodations. Hearing impaired callers may call the Telecommunication Device for the Deaf (TDD) at (801) 297-3819.

A copy of this agenda was posted in the front foyer of the Tax Commission Building, Salt Lake City, Utah and on the Tax Commission Website at www.tax.utah.gov. The Commission public information officer also provided copies of this agenda for the news media via electronic transmission.

Posted: 12/01/08

Cheryl Lee – Executive Secretary
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